

CORRECTED FISCAL NOTE

SB 1293 - HB 1283

February 22, 2005

SUMMARY OF BILL: Authorizes the owner or operator of residential housing units to measure the amount of water used by tenants and to charge tenants separately for water and wastewater service based upon their usage as long as such charges do not exceed the total charges the owner pays for such service plus a reasonable fee for the establishment, service and billing of such services. Specifies that such practice shall not cause the owner to be considered to be operating a public water system or public utility.

ESTIMATED FISCAL IMPACT:

On February 20, 2005 we issued a fiscal note on this bill indicating a minimal fiscal impact. Based upon additional information obtained through the Department of Environment and Conservation, the estimated fiscal impact of the bill is:

(Corrected)

Decrease State Revenues -\$60,000

Other Fiscal Impact – To the extent the provisions of the bill create inconsistencies between the state's law and federal law regarding public water systems, \$1.3 million in grant funds provided to the state for regulation of public water systems and \$8 million in capitalization grant funds from the federal government could be jeopardized.

Assumptions:

- The owner or operator of such units is not a state or local government entity.
- Apartment complexes currently charging customers separately for water and operating as a public water system would no longer be considered a public water system under the provisions of the bill. As a result, they would no longer be required to pay the facility maintenance fees currently paid to the Department of Environment and Conservation resulting in a decrease in state revenues of approximately \$60,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director